

## Message Text

CONFIDENTIAL

PAGE 01 STATE 223272

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ORIGIN AF-06

INFO OCT-01 ISO-00 AID-05 IGA-01 SS-15 NSC-05 SP-02 H-02

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C O N F I D E N T I A L STATE 223272

E.O. 11652: GDS

TAGS: PFOR, EAID, TZ, US

SUBJECT: NEW YORK TIMES ARTICLE ON IGA REPORT

1. SEPTEMBER 18 NEW YORK TIMES CARRIES ARTICLE ON PAGE 1  
BY DAVID BINDER HEADLINED "TOP INSPECTOR SAYS A.I.D. IS  
STRANGLING IN RED TAPE." LEAD SENTENCE: "THE STATE DEPART-  
MENT'S EVALUATOR OF FOREIGN-ASSISTANCE PROGRAMS HAS CHARGED  
THAT A.I.D. ' AS PRESENTLY CONSTITUTED, CANNOT SUCCEED  
IN ITS MISSION' OF ADMINISTERING AMERICAN AID ABROAD."

2. THE ARTICLE GOES ON TO STATE THAT THE ASSESSMENT WAS  
MADE IN CONFIDENTIAL ACTION MEMORANDUM TO THE SECRETARY  
FROM WEBSTER B. TODD, INSPECTOR GENERAL OF FOREIGN ASSIS-  
TANCE, AFTER A TRIP TO GHANA, NIGERIA, TANZANIA AND SOMALIA.  
IT QUOTES TODD'S COMMENTS IN A TELEPHONE INTERVIEW:  
"MR. TODD DESCRIBED THE MEMORANDUM AS A 'CONFIDENTIAL  
INTERNAL WORKING DOCUMENT, NOT AN OFFICIAL DOCUMENT.  
IT RAISES QUESTIONS, BUT DOES NOT GO INTO SUFFICIENT  
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PAGE 02 STATE 223272

DETAIL TO SUGGEST CHANGES OF ALTERNATE COURSES OF ACTION.

IT IS VERY MUCH A WORKING PAPER."

3. AFTER QUOTING FROM TODD'S MAJOR THESIS, SPECIFICALLY CRITICISMS OF A.I.D. PROGRAMS AND MANAGEMENT, THE ARTICLE CONTINUES: "AT THE SAME TIME, HE CRITICIZED AID REPRESENTATIVES IN TANZANIA FOR NOT WARNING 'IN CLEAR, TOUGH LANGUAGE' THAT THE U.S. WOULD WITHDRAW FROM A PROJECT THERE IF THE TAN GOV INSISTED ON INTRODUCING A 'SOCIALISTIC' ELEMENT (SPECIFICALLY LIVESTOCK MARKETING). MR. TODD CITED IMPRESSIONS HE HAD GAINED IN TANZANIA AS A BASIS FOR MANY OF HIS CRITICISMS OF THE A.I.D. OPERATION AS A WHOLE. OF THE \$1.5-BILLION IN FOREIGN ASSISTANCE APPROPRIATIONS AT THE DISPOSAL OF THE AGENCY IN THE FISCAL YEAR ENDING NEXT JUNE 30, \$25.3-MILLION IS SCHEDULED TO BE SPENT IN TANZANIA."

4. THE ARTICLE THEN DISCUSSES HOW SUCH A MEMORANDUM IS GENERALLY HANDLED IN THE DEPARTMENT AND THAT "USUALLY SUCH NOTES ARE NOT DISTRIBUTED TO A.I.D. OFFICIALS OR TO THE STATE DEPARTMENT'S BUREAU OF AFRICAN AFFAIRS. OFFICIALS OF BOTH AGENCIES SAID THEY HAD NOT SEEN THE TODD MEMORANDUM."

5. FOLLOWING A DISCUSSION OF TODD'S BACKGROUND, ARTICLE QUOTES HIS COMMENTS ON THE MASAI BEEF PRODUCTION PROJECT IN TANZANIA: "REMARKING THAT THE TANZANIAN GOVERNMENT INTENDED TO PLACE A 'GOVERNMENT-OWNED AND MANAGED CORPORATION' AS A LINK BETWEEN THE MASAI PRODUCERS AND THE BEEF CONSUMERS, MR. TODD DESCRIBED THIS AS A 'SOCIALISTIC' INJECTION 'WHICH ULTIMATELY WORKS AGAINST INCREASED PRODUCTION. THE RECORD IS CLEAR WORLDWIDE,' THE MEMORANDUM SAYS, ' THAT INJECTION OF THE NATIONAL GOVERNMENT INTO THE PRODUCER-CONSUMER NET LEADS ONLY TO INEFFICIENCIES, INEFFECTIVENESS, CORRUPTION AND POLITICIZATION OF THE PROCESS WHICH ULTIMATELY WORKS AGAINST INCREASED PRODUCTION.' AND YET, HE SAID, THE U.S. IS ATTEMPTING TO

GIVE ASSISTANCE 'ALONG THESE LINES RATHER THAN INSISTING THAT FREE-MARKET FORCES BE ALLOWED TO EXERT THEMSELVES. WHEN WE HAVE EVIDENCE FROM 20 YEARS OF EXPERIENCE THAT

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PAGE 03 STATE 223272

CERTAIN APPROACHES DON'T WORK, WHY DO WE CONTINUE TO PURSUE THEM?' THE MEMORANDUM ADDS. 'WHAT IS IT THAT KEEPS US FROM REFUSING TO PARTICIPATE IN PROJECTS WITH BUILT-IN SELF-DESTRUCT MECHANISMS?' IT ASKS. MR. TODD ALSO PROPOSED THAT A.I.D. PROGRAMS MIGHT BE REDESIGNED TO PLACE GREATER EMPHASIS ON POPULATION CONTROL AND ADDED THAT THE U.S. OUGHT TO INSIST THAT TANZANIA SEEK MORE FOREIGN EXCHANGE BY 'REOPENING THE TOURIST INDUSTRY.'

ASKED TO RESPOND TO MR. TODD'S CHARGES, A SENIOR A.I.D.  
OFFICIAL SAID: 'I DON'T CONSIDER THEM TO BE ACCURATE.'  
THE OFFICIAL SAID THAT MR. TODD'S CRITERIA HAD BEEN  
APPLIED IN THE TANZANIA PROGRAM, THAT IT WAS NOT NOW AN  
AD HOC DEVELOPMENT PROGRAM AND THAT IT COMPLIED WITH ADMIN-  
ISTRATION AND CONGRESSIONAL DIRECTIVES TO 'GET AT THE

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RURAL POOR ."

6. PRESS GUIDANCE IS BEING SENT SEPTTEL. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
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